



# CITY OF HOUSTON

Finance and Administration  
Department

## Interoffice

Correspondence

**To:** Mayor Bill White  
Members of City Council

**From:** Judy Gray Johnson, Director  
Finance and Administration

**Date:** July 28, 2006

**Subject:** JUNE MONTHLY FINANCIAL AND  
OPERATIONS REPORT

Attached is the Monthly Financial and Operations Report for the period ending June 30, 2006.

### **General Fund Revenues**

Our estimation for FY2006 General Fund revenues is \$5.8 million more than projected last month primarily due to Sales Tax Revenue being increased by \$4.4 million to reflect payments received through July for collections through May. The sales tax received in July 2006 is 26.5% higher than the sales tax received in July 2005. Total revenues for FY2006 are estimated to be \$48.2 million more than budgeted.

### **General Fund Expenditures**

Our estimation for FY2006 General Fund expenditures is approximately \$1.3 million higher than projected last month. Fire department expenditures are estimated to be \$850 thousand higher primarily due to additional classified overtime. Total expenditures for FY2006 are estimated to be \$1.4 million lower than budgeted.

### **General Fund Ending Fund Balance**

We are estimating the ending unreserved undesignated fund balance to be approximately \$158 million, which is approximately 11.48% of estimated expenditures less debt service. This does not include the rainy day fund or sign abatement fund. The total unreserved fund balance is estimated to be approximately \$180 million.

### **Aviation Operating Fund**

- The estimate for Operating Expenses has been decreased by \$4.3 million primarily due to lower building maintenance and personnel costs.
- The estimate for Debt Service Interest has been decreased by \$1.8 million due to unanticipated grant revenues available for CIP debt.

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**Convention & Entertainment Facilities Operating Fund**

- The estimate for the Hotel Occupancy Tax revenue has been increased by \$913 thousand due to an increase in average room rates and occupancy.

**Combined Utility System Fund**

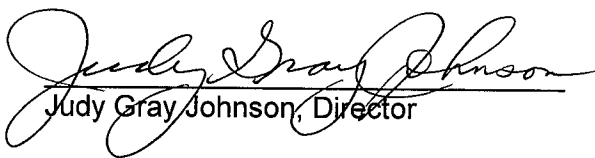
- The estimate for Operating Revenues has been increased by \$4 million as a result of higher than expected water/sewer sales revenue.
- The estimate for Operating Expenses has been decreased by \$1.5 million primarily due to a reimbursement received from American Water for unused contingency funds.
- The estimate for Total Operating Transfers was decreased by \$9.5 million due to a savings of \$14 million resulting from a refunding of debt offset by an increase in variable rate debt of \$5.5 million.

**Katrina Aid & Recovery Fund**

Cost estimates through the end of June are \$258.6 million. Through the date of this letter, \$256.8 million has been approved by FEMA, leaving about \$1.8 million, which is expected to be approved by the end of July.

We continue to transition to the FEMA Individual Assistance program. FEMA also approved the payment of utilities through December for those evacuees on the individual assistance program.

Please let me know if you have any questions.

  
Judy Gray Johnson, Director